

# GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2015

## Legislative Fiscal Note

**BILL NUMBER:** Senate Bill 19 (Third Edition)

**SHORT TITLE:** Deed of Trust Recording Fees

**SPONSOR(S):**

<b>FISCAL IMPACT</b>					
	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Estimate Available		
	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
<b>State Impact</b>					
General Fund Revenues:					
General Fund Expenditures:					
Special Fund Revenues:					
Special Fund Expenditures:					
State Positions:					
<b>NET STATE IMPACT</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>Local Impact</b>					
Revenues:	492,000	492,000	492,000	492,000	492,000
Expenditures:					
<b>NET LOCAL IMPACT</b>	<b>492,000</b>	<b>492,000</b>	<b>492,000</b>	<b>492,000</b>	<b>492,000</b>
<b>PRINCIPAL DEPARTMENT(S) &amp; PROGRAM(S) AFFECTED:</b>					
County Registers of Deeds					
<b>EFFECTIVE DATE:</b> When bill becomes law.					
<b>TECHNICAL CONSIDERATIONS:</b>					
None					

**BILL SUMMARY:** This bill changes the fee for Deeds of Trust filed with Register of Deeds offices from \$56 for the first 15 pages and \$4/page thereafter, to \$64 for the first 35 pages and \$4/page thereafter.

**ASSUMPTIONS AND METHODOLOGY:**

Revenues

Approximately 62% of these recordings are under 15 pages and account for 55% of the total revenues statewide; 99% of all current Deed of Trust recordings are under 35 pages and account for 99.4% of total revenues statewide.

Deed of Trust Size	Current Revenues Collected (3 Month Period)	Proposed Fee Increase	Difference
1-15 Pages	\$2,868,432	\$3,278,208	\$409,776
16-35 Pages	\$2,256,624	\$1,980,416	-\$276,208
36-50 Pages	\$19,268	\$10,988	-\$8,280
50+ Pages	\$8,232	\$5,208	-\$3,024
Statewide	\$5,152,556	\$5,274,820	\$122,264

Overall, based upon three months of data provided by the North Carolina Register of Deeds Association (Association), most counties will experience an increase in revenues for this new fee and collectively/statewide Registers of Deeds will have an increase of revenues of about \$122,000 a quarter and \$492,000 annually. There may be a variance in this projection as it is not known whether the recordings of the 3-month period are indicative of annual recordings. Additionally, this memo doesn't account for changes to the annual number of recordings in the future years.

### Fee Charges

Below is a comparison chart of current and proposed fees charged for documents recorded at or 50 pages. The effect is that the fee charged for recordings at and under 15 pages will increase by \$8 per filing, and in turn, recordings at 18 pages and above will decrease. The breakeven page count is a 17-page document which is currently recorded at a fee of \$64 (\$56 for first 15 pages plus \$8 for an additional 2 pages) and the new fee of \$64 for the first 35 pages and \$4 for each additional page captures the 17 page document at \$64 (again, same as the current fee). The fee reduction for those above 17 pages ranges from \$4 (for 18-page documents) to \$72 (for 35+ page documents).

Deed of Trust Size	Current	Proposed	Difference	Deed of Trust Size	Current	Proposed	Difference
1 Page	\$56	\$64	\$8	26 Pages	\$100	\$64	(\$36)
2 Pages	\$56	\$64	\$8	27 Pages	\$104	\$64	(\$40)
3 Pages	\$56	\$64	\$8	28 Pages	\$108	\$64	(\$44)
4 Pages	\$56	\$64	\$8	29 Pages	\$112	\$64	(\$48)
5 Pages	\$56	\$64	\$8	30 Pages	\$116	\$64	(\$52)
6 Pages	\$56	\$64	\$8	31 Pages	\$120	\$64	(\$56)
7 Pages	\$56	\$64	\$8	32 Pages	\$124	\$64	(\$60)
8 Pages	\$56	\$64	\$8	33 Pages	\$128	\$64	(\$64)
9 Pages	\$56	\$64	\$8	34 Pages	\$132	\$64	(\$68)
10 Pages	\$56	\$64	\$8	35 Pages	\$136	\$64	(\$72)
11 Pages	\$56	\$64	\$8	36 Pages	\$140	\$68	(\$72)
12 Pages	\$56	\$64	\$8	37 Pages	\$144	\$72	(\$72)
13 Pages	\$56	\$64	\$8	38 Pages	\$148	\$76	(\$72)
14 Pages	\$56	\$64	\$8	39 Pages	\$152	\$80	(\$72)
15 Pages	\$56	\$64	\$8	40 Pages	\$156	\$84	(\$72)
16 Pages	\$60	\$64	\$4	41 Pages	\$160	\$88	(\$72)
17 Pages	\$64	\$64	0	42 Pages	\$164	\$92	(\$72)
18 Pages	\$68	\$64	(\$4)	43 Pages	\$168	\$96	(\$72)
19 Pages	\$72	\$64	(\$8)	44 Pages	\$172	\$100	(\$72)
20 Pages	\$76	\$64	(\$12)	45 Pages	\$176	\$104	(\$72)
21 Pages	\$80	\$64	(\$16)	46 Pages	\$180	\$108	(\$72)
22 Pages	\$84	\$64	(\$20)	47 Pages	\$184	\$112	(\$72)
23 Pages	\$88	\$64	(\$24)	48 Pages	\$188	\$116	(\$72)
24 Pages	\$92	\$64	(\$28)	49 Pages	\$192	\$120	(\$72)
25 Pages	\$96	\$64	(\$32)	50 Pages	\$196	\$124	(\$72)

**SOURCES OF DATA:**

North Carolina Register of Deeds Association and several Register of Deed offices

**TECHNICAL CONSIDERATIONS:** None

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